

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Melanie A. Kenderdine**  
Cabinet Secretary

**Dylan M. Fuge**  
Deputy Cabinet Secretary

**Albert Chang**, Director  
Mining and Minerals Division



**Via ELECTRONIC MAIL**

June 25, 2024

Tyler R. Johnson, Chief Environmental Engineer  
Environmental Services  
Freeport-McMoRan Chino Mines Company  
P.O. Box 10  
Bayard, NM 88023

**RE: Agency Review Comments and Technically Approvable Determination  
Updated Closure/Closeout Plan (CCP) Continental and Hanover Mountain Mines,  
Revision 23-1, Permit No. GR002RE**

Dear Mr. Johnson,

The New Mexico Mining and Minerals Division (MMD) has reviewed the April 30, 2024 submittal from Freeport-McMoRan Chino Mines Company (Chino) titled, Continental Mine Closure/Closeout Plan Update Response to Agencies' Comments and Request for Information (RTC) for Revision 23-1 of MMD Permit GR002RE.

Enclosed with this letter are the reviewing agency comment letters submitted by the following state agencies: the New Mexico Environment Department (NMED) and the New Mexico Department of Game and Fish (NMGF). Additionally, please find comments from MMD based on review of Chino's RTC.

This letter notifies Chino that MMD had determined Chino's RTC and Updated CCP to be *technically approvable* pursuant to 19.10.5.506.G NMAC. The MMD determination of a technically approvable closeout plan triggers Chino's responsibility to submit a revised Reclamation Cost Estimate (RCE), and a proposal for financial assurance (FA) in accordance with 19.10.5.506.H NMAC.

Based on the net present value of a 2019 revised cost estimate, the current FA amounts and instruments for the Continental Mine Permit No. GR002RE are summarized as follows:

FMC Third-Party Guarantee	\$1,618,477
Cash Contribution/Cobre CCP Trust	\$5,760,000
Real Estate Collateral	\$15,250,400
<u>Surety Bond</u>	<u>\$632,612</u>
Total	\$23,261,489

**MMD Comments:**

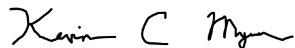
1. RTC #7, Appendix H. The CCP and the response do not show the location(s) of proposed cover material. Provide a supplemental figure that shows the haul distances used in the RCE and route to the Continental Mine's from the potential cover material sources along the Cobre Haul Road (CHR) and Upper South Stockpile (USS) at the Santa Rita Pit.
2. RTC #25. Chino's response to comment #25 and several other comments includes mention that the RCE will be updated after the approval of Chino's CCP. Provide an updated RCE for review.

A few major milestones remain in the permitting process such as, Chino's submits a revised RCE and FA proposal, agencies review of the RCE, agencies review of updated collateral appraisal, agencies review of FA proposal, NMED provides determination and MMD drafts permit for Revision 23-1 and re-issuance of GR002RE for review and acknowledgment by Chino.

Please respond to this letter by **August 15, 2024**, by submitting the revised RCE and FA proposal.

Should you have any questions, comments, or require additional information concerning this letter or any enclosures, please call (505) 490-0726, or email [kevin.myers@emnr.dnm.gov](mailto:kevin.myers@emnr.dnm.gov).

Sincerely,



Kevin Myers, Permit Lead  
Mining Act Reclamation Program (MARF)

Enclosures:

May 29, 2024 letter from NMGF MMD  
June 7, 2024 letter from NMED (includes AQB, SWQB and MECS) to MMD

cc: Sherry Burt-Kested, Manager, Environmental Services, FMI-Chino Mines  
Mariana Lafon, FMI-Chino Mines  
Christian Krueger, FMI-Chino Mines  
DJ Ennis, Program Manager, MARF  
Amber Rheubottom, MECS, GWQB-NMED  
Allyson Siwik, Executive Director, Gila Resources Information Project  
Mine File (GR002RE)